APROJECTREPORTON

“AWARENESS ON INSURANCE ”AT HDFC LIFE”

PALAMURUUNIVERSITY

SUBMITTE BY

P MOUNIKA	210330064052052
PREMANEELA	210330064052053
P SHIVA PRASAD	210330064052054
R SWAMY	210330064052055
S DEEKSHITHA	210330064052057
M BHARAT	210330064051052
M CHADRA SHEKAR	210330064051053

Under the guidance of

Dr.K.MANJULA

(Lecturer in Commerce)

2021-2022

DR. B.R.R.GOVERNMENT DEGREE COLLEGE

JADCHERLA

CERTIFICATE

This is to certify that the project work entitled

A REPORT ON

"AWARENESS ON INSURANCE"AT HDFC LIFE"

Submitted by

P MOUNIKA	210330064052052
PREMANEELA	210330064052053
P SHIVA PRASAD	210330064052054
R SWAMY	210330064052055
S DEEKSHITHA	210330064052057
M BHARAT	210330064051052
M CHANDRA SHEKAR	210330064051053

Of Dr. BRR. Govt Degree College Jadcherla has duly completed their project under my supervision. The entire work has been done under my guidance and that no part of it has been submitted previously for any degree or diploma of any University. It is their own work and facts reported by their personal findings and investigation.

Signature of project guide

Dr. K. Manjula

HOD
Commerce
Dr.BRR GDC,Jadcherla

Signature of Principal

PRINCIPAL
Dr. BRR Govt. College
Jadcherla-509 301

Dr. CH. Appiya Chinnamma

DECLARATION

We hereby declare that the work embodied in this project work titled A STUDY ON“ **AWARENESS ON INSURANCE A THDFCLIFE” AT MAHABUBNAGAR**”, forms Ourowncontributiontotheresearchworkcarriedoutundertheguidanceof Dr.K.MANJULAis a result of our own research work and as not been previously submitted to any other University for any other Degree / Diploma this or any other University. Wherever reference has been made to previous work of others, it has been clearly indicated as such and included in the bibliography.

P MOUNIKA	210330064052052
PREMANEELA	210330064052053
P SHIVA PRASAD	210330064052054
R SWAMY	210330064052055
S DEEKSHITHA	210330064052057
M BHARAT	210330064051052
M CHADRA SHEKAR	210330064051053

ACKNOWLEDGEMENT

My sincere and grateful thanks to Dr.K.MANJULA project guide for her valuable advice incompletion this project successfully.

We also wish to thank HOD for providing me the opportunity to do the project that builds up my career.

My profound thanks to Dr. Ch. APPIYA CHINNAMMA Principal, Dr. BRR Govt DEGREE COLLEGE, JADCHERLA. For extending her constant support and guidance in executing our project. We are very grateful to all the teaching staff, Librarian, all the staff members for College for their cooperation in completing my project work.

ABSTRACT

A system under which the insurer, for a consideration usually agreed upon in advance, promises to reimburse the insured or to render services to the insured in the event that certain accidental occurrences result in oases during a given period. It thus is a method of coping with risk. Its primary function is to sub statute certainty for uncertain try as regards the economic cost of loss producing events.

Insurance relies heavily on the “law of large numbers." In large homogeneous populations it is possible to estimate the normal frequency of common events such as deaths and accidents. Losses can be predicted with reasonable accuracy, and this accuracy increases as the size of the group expands. From at the critical standpoint, it is possible to eliminate all pure risk if an infinitely large group is selected. From the stand point of the insurer, uninsurable risk must meet the following requirements:

1. The objects to be insured must be numerous enough and homogeneous enough to allow a reasonably close calculation of the probable frequency and severity flosses.

2. The insured objects must not be subject to simultaneous destruction. For example, if all the buildings insured by one insurer are in an area subject to flood, and a flood occurs, the loss to the insurance under writer may be catastrophic.

INDEX

S.NO	CHAPTER	PAGENO
1.CHAPTER-I	INTADUCTION ➢ SCOPEOFTHE STUDY ➢ OBJECTIVESOFTHESTUDY ➢ METHODOLOGYOFTHESTUDY ➢ LIMITATIONOFTHESTUDY	8–12
2.CHAPTER-II	➢ REVIEWOFTHELITERATURE	13–20
3.CHAPTER-III	➢ ORGANIZATIONALPROFILE	21–38
4.CHAPTER-IV	➢ DATAANALYSISANDI NTERPRETATION	39–57
5.CHAPTER-V	➢ FINDING ➢ SUGGESTIONS ➢ CONCLUSION ➢ BIBLOGRAPHY	58-61

CHAPTER-I

INTRODUCTION TO THE PROJECT

INTRODUCTION

The evaluation of insurance dates back as early as the commencement of trade between two countries in England, especially between the European countries. During the transportation of goods, there were chances of the ship being drowned in the rough sea conditions or attacked by the pirates, leading to huge loss to the party sending goods. The traders of England devised a way whereby the loss of the goods would be compensated by every trader putting in some amount as per their financial strength so that a single party may not be the loser; this is the earlier concept of insurance. This concept is taking shape for the last 300 years yet in India the first insurance company was established in 1818 with the advent of European widows. The name of the company was oriental life insurance company.

NEED OF THE STUDY

Life insurance is chiefly a risk management tool, meant to offer financial protection to your dependents in the unfortunate even to flour death. Button India, as the most other developing market, life insurance has come to present more than just risk cover. This particular study is conducted on the topic titled "to study customer perception regarding HDFC LIFE insurance company. The aim of this research study is to know about life insurance. It is done to know the ban assurance in India .Ban assurance has mostly been a phenomenal success and, although slow to gain pace, is now taking across Asia, especially now that bank sari starting to become more diverse financial institutions, and the concept of universal banking is being accepted. In India, the signs of initial success are already the red spite the fact that it is a completely new phenomenon.

SCOPE OF THE STUDY

The study is restricted to Hyderabad region only. The study also analyses the preferences regarding different life insurance policies of HDFC LIFE. For this study 100 respondents of Hyderabad are chosen .Now days there are lo to private companies in market suits' important to know what motivates the customer to buy the policy. HDFC LIFE is the fastest growing private insurance company in India. It determines market share of the various private companies in India.

OBJECTIVESOFTHESTUDY

- To determine and analyze the Market Potential of the HDFCLIFE.
- To determine whether the customer sure satisfied with the policies of the company.
- To know the customer aware ends regarding the HDFC LIFE and its products.
- To study and determine the competitor position in the markets.
- To know the future plans of the people for buying the policies.

- Proper understanding and analysis of life insurance industry.
- Conduct market serve yoga same please leeched from the entire population and derived opinion that research

RESEARCH METHODOLOGY

Research means a search for knowledge or gain some new knowledge and methodology properly refer to the theoretical analysis of the methods appropriate to a field of study or to body of methods and principles particular to a branch of knowledge.

Procedure.

Universe

The universe of the study is MAHABUBNAGAR

Sample Unit

The sample unit pertaining to the study is 100 respondents of

MAHABUBNAGAR Sample Size

The sample size of 100 served the purpose of the study.

Sample Method

The sampling method used icon –probability convenience sampling

Methods of data collection

Data collection

The word data means any raw information, which is either quantitative or qualitative in nature, which is of practical or theoretical use. The task of data collection begins after are search problem has been defined and research design chalked out. While deciding about the method of data collection, the researcher should keep in mind that there are two types of data primary and secondary.

Primary data

This is those, which are collected afresh and for the first Time, and thus happen to be original in character. There are many ways of data collection of primary data like observation method. Interview   method, through schedules, pantry Reports, distributors audit, consumer panel etc.   The Team Manager sends employees of both the Department were consulted to

Gets information about procedure of both the online and off line share trading? But the method used by us for the primary data collection was through question naives.

Question naive method

For the collection of primary data I used questionnaire method. A formal list of question, which is to be asked, is prepared in a questionnaire and questions are asked on those bases. The rear

Some merit sanded merits of this method. These sunder:

Merits:-

1. Low cost even when universe is large.

2. It is free from bias of interviewer.

3. Respondent shave proper time to answer.

4. Respondent's who not easily approachable canals are reachable.

5. Large sample scan be

made. Secondary data

These are those data, which are not collected afresh and are used earlier also and thus they cannot be considered as original in character. There are many ways of data collection of secondary data like publications of the state and central government, reports prepared by researchers, reports of various associations connected with business, Industries, banks etc. And the method, which was used by us, was with the help of reports of the company.
Sample Size

I have met 100 people, to know about their perception regarding companies and their policies after that I have taken 25 People they have fill up the questionnaire and given response.

LIMITATIONS OF INSURANCE

- Lack of awareness among the people - This is the biggest limitation found in this sector. Most of the people are not aware about the importance and the necessity of the insurance in their life. They are not aware how useful life insurance can be for their family members if something happen to them,
- Perception of the people towards Insurance sector - People still consider insurance justasaTax saving device .So today also there is always a rush –obeying Insurance

Policy only at the end of the financial year like January, February and March making the other 9 months dry for this business.

- Insurance does not give good returns - Still today people think that Insurance does not give good returns. They are not aware of the modern Unit Linked Insurance Plans which are offered by most of the Private sector players. They are still under the perception that if they take Insurance they will get only 5-6% returns which is not true nowadays. Nowadays most of the modern Unit Linked Insurance Plans gives returns which is many times more than that of bank fixed deposits, National saving certificate, Post office deposit sand Public provident fund.
- Lack of awareness about the earning opportunity in the Insurance sector - People still today are not aware about the earning opportunity that the Insurance sector gives .After the privatization of the insurance sector many private giants have entered the insurance sector. These private companies in order to beat the competition and to increase their Insurance Advisors to increase their reach to the customers are giving very high commission rates but people are not aware of that.
- Increased competition - Today the competition in the Insurance sector has became very stiff. Currently there are 14 Life Insurance companies working in India including the LIC (life insurance Corporation of India). Today each and every company is trying to increase their Insurance Advisors so that they can increase their reach in the market.

CHAPTER-III

REVIEW OF LITERATURE

WHAT IS INSURANCE?

Insurance is a mechanism that ensures an individual to thrive on adverse consequences by compensating the individual, his/her loss financially. Every individual in the world and all activities connected with him/her, be it life, profession, business, travel or any other pursuit sari subject to unforeseen and uncalled for hazards or dangers. The benefit that an individual enjoys in his life by owning a car or a house or a factory can be snatched by sudden accident which can render even the individual immobile, and his family vulnerable. At this critical juncture, only insurance helps him not only to survive but recover his loss and continue his life in a normal manner, which would otherwise, been thinking able.

The concept of insurance is quite simple. People, who are in similar trade and are exposed to the same risks, congregate and some to an agreement that if any individual member suffers aloes, then the loss will be shared by others and minimized in order to enable the individual member recover from the loss and cover his ground. Similarly the different kinds of risks can be identified and separate groups can be formed to counter such risks and reduce to impact to manageable proportion, in which the share could be collected from the members either after the loss or in advance, at the time of admission to the group. This is an exemplary signofhumanityandinsurancethereforeservethemankindtoagreatextent; appoint most of the individual tend to overlook, since monetary aspect is involved. Now such is for tangible assets.

Theconceptofinsurancehasbeenextendedbeyondthecoverageoftangibleassets.Exporters runs the risk of importers in other country defaulting as well as losses due to sudden fluctuations in the currency exchange rates, economic policies turmoil. The risk is not insured. Doctors run the risk of being charged with negligence and can sub sequent liable for damage. The amount in question can be fairly large, beyond the capacity of the in dividable to bear. These are

In sired. Thus insurance is extended to intangible assets. In some countries even the voice of a singer, legs of the footballer can be insured, even though the advantage of spread may not be available in these cases. Satisfaction of economies needs requires generation of income from some sources. If the property, which is the source of such income, were lost fully or partially, permanently, or temporarily, the income too would stop. The purpose of insurance is to safeguard against such misfortune few, through the help of the fortune many, who were exposed to the same risk, but saved from them is for tune .Thus thee since of insurance is to share losses substitute certainty by uncertainty the different types of human activities that come under the umbrella of insurance areas follows.

1. House/office/factory or any move able objected destroyed in life **-Fire insurance**

2. Ship mentor transport station of goods By ship, destroyed in catastrophe. **- Marine insurance**

3.Jeweler cash/house hold goods Stole nor robbed **-Burglar insurance**

4. Goods in transit by road so railways destroyed. **-Carrier insurance**

5. The two accident of vehicles **-Vehicle insurance**

6. Financial cover in ailment /surgery etc **-Health insurance**

All these are non-life insurance. In conclusion one can safely say that the purpose of insurance is it or non-life is to transfer him financial loss to the insurance companies whose.

Life insurance Life insurance (Life Assurance in British English) is a type of insurance. As in all insurance, the insured transfers a risk to the insurer. The insured pays a premium and receives a policy in exchange. The risk assumed by the insurer is the risk of death of the insured.

HOW LIFE INSURANCE WORKS

There are three parties in a life insurance transaction; the insurer, the insured, and the owner of the policy (policyholder), although the owner and the insured are often the same person. For example, if John Smith buys a policy on his own life, he is both the owner and the insured. But if Mary Smith, his wife, buys a policy on John 'life, she is the owner and he is the insured. The owner of the policy is called the grantee (he or she will be the person who will pay for the policy). Another important person involved is the beneficiary. The be neficiary is the person or persons who will receive the policy proceeds upon the death of the in sired. The beneficiary is not a party to the policy, but is designated by the owner, who may change the beneficiary less the policy has anirrevocablebeneficiarydesignation.Withanirrevocablebeneficiary, that beneficiary must agree touch a gesinbeneficiary, policy assignment or borrowing of cash value.

The policy, like all insurance policies, is a legal contract specifying the terms and conditions of the risk assumed. Special provisions apply, including a suicide clause wherein the policy becomes null if the insured commits suicide within a specified time for the policy date (usually two years). Any misrepresentation by the owner or insured on the application is also grounds for nullification. Most contracts have a contestability period, also usually a two-year period; if the insured dies within this period, the insurer has a legal right to contest the claim and request additional information before deciding to pay or deny the claim.

The face amount of the policy is normally the amount paid when the policy matures, although policies can provide for greater or lesser amounts. The policy matures when the insured dies or reaches a specified age. The most common reason to buy a life insurance policy is to protect the financial interest soft the

Owner of the policy in the event of the insured's demise. The insurance proceeds would pay for funeral and other death costs or be invested to provide income replacing the deceased 'swages. Other reasons include estate planning and retirement. The owner (if not the insured) must have an insurable interest in the insured, i.e. a legitimate reason for insuring another person's life. The insurer (the life insurance company) calculates the policy prices with intent to recover claims to be paid and administrative costs, and to make a profit. The cost of insurance is determining dosing mortality tables calculated by actuaries.

Actuaries are professional sawhorse actuarial science which is based in math mastics (primarily probability and statistics). Mortality tables are statistically based tables showing average life expectancies. The three main variables in a mortality table are age, gender, and use of to bacon, the mortality tables provides a baseline for the cost of insurance. In practice, these mortality tables are used in conjunction with the health and family history of the individual applying for a policy in order to determine premiums and insurability. The current mortality table being used by life insurance companies' in the united Tate sand the regulator was calculated during the 1980s. There is currently a measure being pushed top date the mortality tables by 2008.

Many companies use four general health categories for those evaluated for a life insurance policy. These categories are Preferred Best, Preferred, Standard and Tobacco. Preferred Bes means that the proposed insured has no adverse medical history is not under medication for any condition, and his family (immediate and extended) has no history of early cancer, diabetes or other conditions. Preferred is like Preferred Best, but it allows that the proposed insured is currently under medication for the condition and may have some family history. Most people are in the Standard category. Profession, travel, and lifestyle also factor in to not only which category the proposed insured falls, but also whether the proposed insured will be denied a policy. For example, a person who would otherwise be in the Preferred Best category will be denied a policy if he or she travels to a high risk country.

Upon the death of the insured, the insurer will require acceptable proof of death before paying the claim. The normal minimum proof is a death certificate and the insurer's claim form completed, signed, and often notarized. If the insured's death was suspicious and the policy amount warrants it, the insurer may investigate the circumstances surrounding the death, before deciding whether there is a legal obligation to pay the claim. Proceeds from

The policy may be paid in a lump sum or as an annuity paid over time in regular recurring payments for either for the life of a specified person or a specified time period.

Contribution of life insurance in development of economy.

- Contribution of Life Insurance Sector in the Economy
- Flow of Insurance Industry in India
- Structure of insurance industry: Snap Shot Industry
- Aggregation flung term savings
- Spread of financial services in rural Areas
- LongtermfundsforinfrastructuredevelopmentofcapitalMarkets/EconomicGrowth
- Employ men generation Special Futures
- Growth Potentials

DETAILS OF PRODUCTS

Life is UN predict able. Button face of adversity, our responsibilities toward sour parents, children and love dons need not become promised. Insurance planning equips you to smooth out the uncertainties and adversities that life might send your way, so that the best that life has to offer, secure in the knowledge that your beloved ones are well provided for. BSLI offers a complete range of insurance products

1. Protection Plans

2. Savings Plans

3. Child Plans

4. Investment Plans

5. Retirement Plans

6. Group Plans

7. Rural Plans

Insurance Plans

Savings Plans

Aunt-linked insurance plan

Life Time-unit-linked plans

CHILD PLANS

- Smart Kid regular premium
- Smart Kid unit-linked regular premium
- Smart Kid unit-linked regular premium I
- Smart Kid unit-linked single premium I

Group Solutions

Group Term Assurance: Helps provide affordable covert members o f a group. Group Gratuity Plan: Helps employers fund their statutory gratuity obligation in a flexible a **hassle-free manner.**

Group Superannuation Plan: A flexible le scheme (defined benefit and defined contribution) provide are tire men kitty for each member of the group.

Group Term Assurance:

Group Gratuity Plan:

Group Super annotation Plan:

1. Low and Affordable Premiums

2. Life Cover

3. Savings Option

4. Hassle free

procedure Rural Plans

- Life Cover and Savings
- Regular Premiums Age a ten try 18-45Yrs
- Premium Mode Half Yearly/Yearly
- Term5,10,15Yrs
- SumAssuredRs.5,000-20,000
- Premium/YearRs.507-553(SA:Rs.10,000)
- Maturity/Death benefit Sum Assured

IRDA:

The insurance sector has been open educing India, as there was androgen need. The international experience indicates that country with a liberalized insurance sector have witnessed a rapid growth in premium volumes enhancing the domestic saving rate. This happened in China, Malaysia a and Singapore where a competitive market has led to improvement in Services and quicker settlement of claims. It is also important to note that competition will bring about advancement in information, communication and technology. And rightly therefore a decision was taken by the Government of India to open up InsurancesectorTheestablishmentofIRDAinthemonthofApril2000hasbeenimportantdevelop mentinthisdirection, making the end of monopoly in the insurance sector.

WHYINSURANCEININDIA:

- Only22%oftheinsurancepopulationhasbeenextendedcover.Marketpenetrationislowa ndthepotentialtoexploitis high.
- Insurance premium percapitaisvery low.
- Lack of comprehensive social system benefit and welfare means that demand for pension products is high.
- Hugemiddleclassofapproximately300Million.
- Existing insurance company score low on customer service front.

The insurance market registered growth in the Asian region even though India's share in global insurance is less than 0.5% (1988) as compared to USA (24.2%) and Japan (21%).Studies have revealed that in an emerging market, as disposable income rises, Insurance premiums as a ratio of GDP shoots up. The confederation of Indian Industry projected a growth of Life Insurance premiums from Rs.350 Billion at present to Rs. 140 Billion. The Growth of non-life insurance premium is expected to increase from 75 billion to 375 billion. Out of which, only 10% is tapped by the existing insurer.

Insurance even more than banking is a volume game. A very exclusive approach in view is unlikely to provide meaningful numbers. Currently, insurance is bought for the purpose of tax benefits. A higher percentage of business is in the rural market. The share of rural new Business insurance total new business is 55% in terms of policies and 47% in terms of sum assured. However, this needs to be viewed in the light of some recent issues that have been raised regarding as town at

Constitutes the rural market. Therefore, private insurers will be best vend by middle marketapproach,targetingthecustomersegmentsthatarepresentlyunexploited

How many Indians are aware that LIC has more than 60 Products and GIC has more than 180Products? Not only there is a reduction in the premiums of Life Insurance products have long ver. due since Indian morality rate has decreased three folds in the last 50 years. There is also wiping to increase those Eldon life insurance policies (presently6%) with proper risk management in place.

Banks and financial companies will emerge; as attractive distribution channel for this insurance trend will be led by two factors, which already apply in other world market. First Banking food insurance, fund management and other financial services companies are being to increase their profitability and provide maximum value to their customers. Therefore, they are themselves. Looking for a range of products to distribute. In other market notably Europe; this has resulted in bank assurance. Bank entering into the insurance business in India to bank hope to maximize expensive existing network by selling a range of products more of a loss alliance between insurance and bank than a formal ownership. Some Indian entrants like ICICI, HDFC and Reliance hope to ride their existing network and customer bases.

CHAPTER- IV

ORGANIZATIONAL PROFILE

THE HISTORY OF INDIAN INSURANCE INDUSTRY

The story of insurance is probably as old as the story of mankind. The same instinct that prompts modern businessmen today to secure those selvesagainstloss and disaster existed in primitive men also. They too sought to avert the evil consequences of fire and flood and loss of life and were willing to make some sort of sacrifice in order to achieve security. Though the concept of insurance is largely a development of the recent past, particularlyaftertheindustrialera-pastfewcenturies-yetitsbeginningsdatebackalmost6000years.

LIFE INSURANCE

In 1818 the British established the first insurance company in India in Calcutta, the Oriental Life Insurance Company. First attempts at regulation of the industry were made with the introduction of the Indian Life Assurance Companies Act in 1912. A number of amendments to this Act were made until the Insurance Act was drawn up in 1938. Noteworthy features in the Act were the power given to the Government to collect statistical information about the insured and the high level of protection the Act gave to the public through regulation and control. When the Act was changed in 1950, this meant far reaching changes in the industry. The extra requirements included statutory requirement of ascertain level of equity capital, a ceiling on share holdings in such companies to prevent dominant control (to protect the public from any adversarial policies from one single party), stricter control on investment sand, generally, much tighter control. In 1956, the market contained 154 Indian and16foreign life insurance companies. Business was heavily concentrated in urban areas and targeted the higher echelons of society. "Unethical practices adopted by some of the players against the interests of the consumers" then led the Indian government to nationalize the industry. In September 1956, nationalization was completed, merging all these companies into the so-called Life Insurance Corporation (LIC). It was felt that "nationalization has lent the industry fair nests solidity, growth and reach."

Definitions:

General definition:

In the words of John Magee "Insurance is a plan by themselves which large number of people associate and transfer to the shoulder so fall, risks that attach to individuals."

Fundamental definition:

In the words ofD.S.Hansell,"Insuranceaccumulatedcontributionsofallpartiesparticipatingintheschem e."

Contractual definition:

Characteristics of insurance

- Sharing of risks
- Cooper active device
- Evaluation off risk

• Payment on happening of a special event

- The amount of payment depends on the nature of losses incurred.

• The success of insurance business depends so the large number of people insured against similar risk.

- Insurance is a plan, which spreads the risk and losses off e people among a large number of people.
- The insurance is a plan in which the insured transfer she's risk on the insurer.

• Insurance is a legal contract which is based upon certain principles of insurance which includes most good faith, insurable interest, contribution, indemnity causes proximal, subrogation, etc.

- The scope of insurance is much wider and extensive.

Functions of insurance:

Primary functions:

1. Provide protection: Insurance cannot check the happening of the risk, but can provide for the losses o frisk.

2. Collective bearing of risk:-Insurance is a device to share the financial oases off weapon many others.

3. Assessment of risk:-Insurance determines the probable volume of risk by evaluating various factors that give rise to risk.

4. Provide certainty: Insurance is advice, which helps to change from uncertainty to certainty.

Secondary functions:

1. Prevention of losses: Insurance cautions business man and individualstoadoptsuitabledevicetopreventunfortunateconsequencesofriskbyobservings afetyinstructions.

2. Small capital to cover large risks: Insurance relives the businessman from security investment, by paying small amount of insurance against larger risks and uncertainty.

3. Contributes onwards development of larger industries.

Other Function:

Means of savings and investment:

Insurance companies are business houses. The product they sell is financial protection. To succeed and survive, they must cover their costs, which include payments to cover the losses of policy holders, as well as sales and administrative expenses, taxes and dividends .Insurance companies have two sources of income for covering these costs:

- Premium sand
- Investment income.

The premiums are collected on a regular basis and invested in Government Bonds, Gilt, stocks, mutual funds, real estates and other conservative avenues. However, investment income depends on market conditions, interest rates, economy etc. and varies from year to year .Because of the uncertainty associated with the investment income, insurance companies' must generate enough income from premium stopover the bulk of their expenses.

Some of the important milestones in the if insurance business in India are:

1818: Oriental Life Insurance Company, the first life insurance company on Indian soil started functioning.

1870: Bombay Mutual Life Assurance Society, the first Indian life Insurance Company started 'Its business,

1912: The Indian Life Assurance Companies Act enacted as the first statute to regulate the life' Insurance business.

1928: The Indian Insurance Companies Act enacted to enable the government to collectstatistical'Informationaboutbothlifeandnonlifeinsurancebusinesses.

1956: 245 Indian and foreign insurance and provident societies are taken over by the central government and nationalized. LIC formed by an Act of Parliament, viz. LIC Act, 1956, with a capital contribution ofRs.5chores from the Government of India.

Liberalization of Indian Insurance

1994: Insurance sector invited private participation to induce a spirit of competition amongst the various insure resend provide a choice to the consumers.

1997: Insurance regulator IRD A was set up as there felt the Feed:

To set up an independent regulatory body, that provides greater autonomy to insurance companies in order to improve their performance, In the first year of insurance market liberalization (2001) as much as 16 private sector companies including joint ventures with leading foreign insurance companies have entered the Indian insurance sector. Of this, 10were under the life insurance category and six under general insurance. Thus in all there are 25 players (12-life insurance and 13-general insurance) in the Indian insurance industry till date.

Players in Indian insurance industry

Life insurers

Insurance industry, a son 1.4.2000, comprised mainly two players: the state insurers:

Life Insurance Corporation of India (LIC)

General insurers:

- General Insurance Corporation of India (GIC) with effect from Dec'2000, a National Reinsure

GIC had four subsidiary companies, namely with effect from Dec'2000, these subsidiarieshavebeende-linkedfromtheparentcompanyandmadeasindependentinsurancecompanies.

1. The Oriental Insurance Company Limited

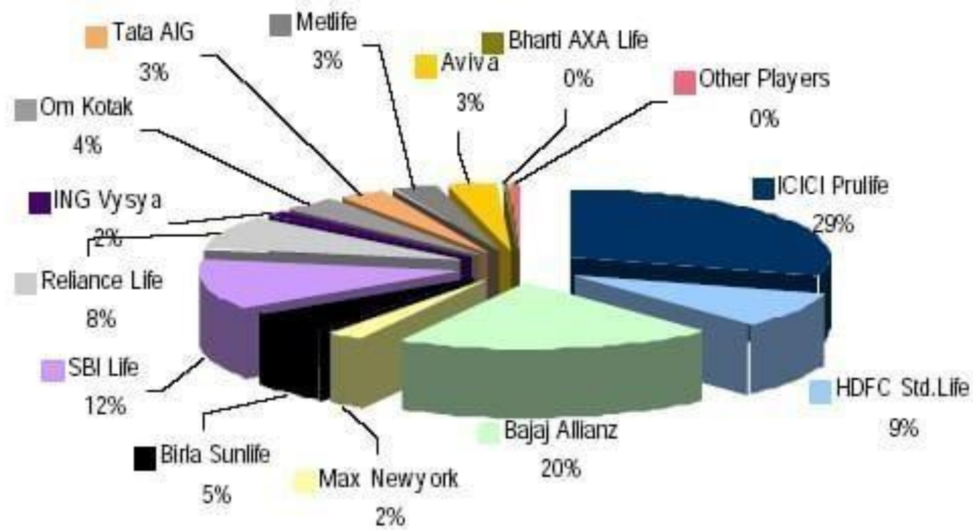
2. The New India Assurance Company Limited,

3. National Insurance Company Limited

4. United India Insurance Company Limited.

Life Insurers:

S.NO	NAMEOFTHECOMPANY
1	Max New York Life Insurance company
2	Had face Standard Life Insurance Company Ltd
3	IciciPrudential Life Insurance Company Ltd
4	Kodak Mahindra Life Insurance Company Ltd
5	Birla Sun Life Insurance Company Ltd
6	Tata AIG Life Insurance Company Ltd
7	Sal Life Insurance Company Ltd
8	INGV yoyo Life Insurance Company Private Ltd
9	Allison's Bajaj life insurance Company Pvt Ltd.
10	Met Life Indian Insurance Company Pvt Ltd.
11	Re lance Life Insurance Company Ltd
12	Shi ram Life Insurance Company Ltd.
13	Sahara Indian Life Insurance Company Ltd.
14	Bharathi AXA Life Insurance Company Ltd.
15	Aviva Life Insurance Company Ltd.



ADVANTAGE SOF IFE INSURANCE

1. It issue prior to an ordinary saving plan:-Unlike other saving plans, affords full protection against risk of death. In case of death, the full sum assured is made available under a life assurance policy; whereas under saving scheme the total accumulated saving alone will be available. The later will be considerable less than the sum assured, if death occurs during early years

2. Easy settlement & protection against creditors:- The life assured can name person(s)called Nominee to whom the policy money would be payable in the event of his death. The proceeds of a life policy can be protected against the claim of the creditors of the life assured by effecting a valid assignment of the policy.

3. Ready market ability &suitability or quick borrowing: After an initial period, if the policy holder finds him unable to continue payment of premiums, he can surrender the policy for a cash sum. Alternatively, he can tide over a temporary difficulty by taking loan on the sole security of the policy without delay. Further, a life insurance policy is sometimes accepted able as security for a commercial loan.

4. Tax Relief: The Indian Income-Tax allows deduction of certain portion of the taxable income, which is diverted to payment of life insurance premiums from the total income tax inability. When this tax relief is taken into account, it will be found that the assured is in effect paying a lower premium for his insurance.

Need for insurance

- To provide cash to me various routine expenses of the family on or immediately after the death of the income earner of the family.
- Topreservethefamily'saccustomedstandardoflivingeverafterthedeathofthebreadwinner
- To provide continuous flow offends for the living spouse.
- To allocate income funds for the children' seduction.
- To provide are tire mint income through outoldage.
- To provide are liable savings plan for the future.
- To supplementing come when earning power is reduced or eroded by illness, accident any handicap.
- To furnishes plus earnings for the investor should disaster strike.

7P's Of Insurance Sector

Wherever there is uncertainty there is risk. We do not have any control over uncertaintieswhichinvolvesfinanciallosses.Therisksmaybecertaineventslikedeath, pension, retirement or uncertain events like theft, fire, accident. Etc. Insurance is a financial service for collecting the savings of the public and providing them with risk coverage. The main function of Insurance is to provide protection against the possible chances of generating losses. It eliminates worries and miseries of losses by destruction of property and death. It also provides capital to the society as the funds accumulated were invested in productive heads. Insurance come under the service sector and while marketing this service, due care is to be taken in quality product and customer satisfaction. While marketing the services, it is also pertinent that they think about the innovative promotional measures. It is not sufficient that you perform well but it is also Process important that you let others know about the quality of your positive contributions. The creativity in the promotional measures is the need

Of the hour. The advertisement, public relations, word of mouth communication needs due care and personal selling require intensive care

MARKETING -MIX FOR INSURANCE COMPANIES: The marketing mix is the combination of marketing activities that an organization engages in so as to best meet the needs of it targeted market. The Insurance business deals in selling services and therefore due weight-age in the formation of marketing mix for the Insurance business is needed. The market ink mix includes sub-mixes of the 7 P's of marketing i.e. the product, its price, place, promotion, people, process & physical attraction. The above mentioned 7 P's can be used for market ink of Insurance products, in the following manner:

1. Product:

A product means what we produce. If we produce goods, it means tangible product and when we produce or generate services, it means intangible service

Product. A product is both what a seller has to sell and a buyer has to buy .Thus, anInsurancecompanysellsservicesandthereforeservicesaretheirproduct.

In India, the Life Insurance Corporation of India (LIC) and the General Insurance Corporation (GIC) are the two leading companies offering insurance services to the users. A part from offering life insurance policy, they also offer underwriting and consulting services. When a person or an organization buys an Insurance policy from the insurance company, he not only buys a policy, but along with it the assistance and advice of the agent, the prestige of the insurance company and the facilities of claims and compensation. It is natural that they usersexpectareasonablereturnfortheirinvestmentandtheinsurancecompanies want to

Maxi maze their profitability. Hence, while deciding the product portfolio or the product-mix, the services or the schemes should be motivational The Group Insurance scheme is required to be promoted, the Crop Insurance is required to be expanded and the new schemes and policies for the village or the rural population are to be included. The Life Insurance Corporation has intensified efforts to promote urban savings, but as far as rural savings are concerned, it is not that impressive. The introduction of Rural Career Agents Scheme has been found instrumental in inducing the rural prospects but the process is at infant stage and requires more professional excellence. The policy makers are required to activate the efforts. It would be prudent that the LIC is allowed to pursue a policy of direct investment for rural develop mint Investment in Government securities should best popped andtheinvestmentshouldbecanalizedinprivatesectorformaximizingprofits.Inshort; the formulation of product-mix should be in the face of innovative product strategy. While initiating the innovative process it is necessary to take into consideration the strategies adopted by private and foreign insurance companies.

2. Pricing

In the insurance business the pricing decision sari concerned with:

1) The premium charged again sty the policies,

a) Interest charged for defaulting the payment to premium and credit facility, ands) Commission charged for underwriting and consultancy activities. With a view of influencing the target market or prospects the formulation of pricing strategy becomes significant. In developing country like India where the disposable income in the hands of prospects is low, the pricing decision also governs the transformation of potential policyholders into actual policyholders. The strategies may be high or low pricing keeping in view the level or standard of customers or the policyholders. The pricing in insurance is in the form of premium rates. The three main factors used for determining the premium rates under a life insurance planaremortality,expenseandinterest.Thepremiumratesarerevisediftherearanysignificantch angesinany of these factors

3. Place:

This component of the marketing maxi related to two important facets---

i) Managing the insurance personnel, and ii) Locating a branch. The management of agents and insurance personnel is found significant with the viewpoint of maintaining the norms for offering the services. This is also to process the services to the end user in such a way that a gap between the services- promised and services offered is bridged over. In a majority of the service generating organizations, such a gap is found existent which has been instrumental in making worse the image problem. The Trans formation of potential policy holders to the actual policyholders is a difficult task that depends upon the professional excellence of the personnel. The agents and the rural career agents acting as a link, lack professionalism. The front-line

Staff and the branch managerial soared found not assigning due weight- age to the degeneration process. The insurance personnel if not managed properly would make all efforts insensitive. Even if the policy makers make provision for the quality upgrading the promised services hardly reach to the end users.

It is also essential that they have rural orientation and are well aware of the lifestyles of theprospectsorusers.Theyarerequiredtobegivenadequateincentivestoshowtheirexcellence. While recruiting agents, the branch managers need to prefer local persons and provide them training and conduct seminars..

Another important dimension to the Place Mix is related to the location of the insurance branches. While locating branches, the branch manager needs to consider a number of factors, such as smooth accessibility, availability of in restructure facilities and the manage mint of branch offices and premises.

4. Promotion:

The insurance services depend on effective promotional measures. In a country like India, the rate of illiteracy is very high and the rural economy has dominance in the national economy. It inessential to have both personal and impersonal promotion strategies. In promoting insurance business, the agents and the rural career agents play an important role. Due attention should be given in selecting the promotional tools for agents and rural career agents and even for the branch managers and front line staff. They also have to be given proper training in order to create impulse buying.

5. People:

Understanding the customer better allows designing appropriate products. Being a service industry which involves high level of people interaction, it is very

Important tousethisresourceefficientlyinordertosatisfycustomers.Trainingdevelopment and strong relationships with inter mediariesare the key areas to be kept under consideration. Training the employees, use of IT for efficiency, both at the staff and age revel, is one of the important areas look into.

6. Process:

The process should be customer friendly in insurance industry. The speed and accuracy of payment is of great importance. The processing method should be easy and convenient to the customers. Installment schemes should be streamlined to cater to the ever growing demands of the customers. IT & Data Warehousing will smooth hen the process flow. IT will help in servicing large no. of customers efficiently and bring down overheads. Technology can either complement or supplement the channels of distribution cost effectively. It can also help to improve customer service levels. The use of data warehousing management and mining will help to find out the profitability and potential of various customers products segments.

7. Physical evidence:

Distribution is a key determinant of successful real insurance companies. Today, the nationalized Of India's large population and reach a profitable mass of customers, then new distribution avenues and alliances will be necessary. Initially insurance was looked upon as a complex product with a high advice and service component.

Buyers prefer a face-to-face interaction and they place a high premium on brand names and reliability. As the awareness increases, the product becomes simpler and they become off the -shelf commodity products. Today various intermediaries, not necessarily insurance companies, are selling insurance. For example, in UK, retailer likes Marks & Spencer sells

Insurance products. The financial services industries have successfully used remote distribution channels such as telephone or internet so as to reach more customers, avoid intermediaries, and bring down over head sand increase profitability. A good example is Uninsured Direct Line. It relied on telephone sales and low pricing. Today, it is one of the largest motor insurance operators. Technology will not replace a distribution network though it will offer advantages like better customer service. Finance companies and banks can emerge as an attractive distribution channel for insurance in India. In Netherlands, financial services firms provide an entire range of products including bank accounts, motor, home and life insurance and pensions. In France, half of the life insurance sales are made through banks. In India also, banks hope to maximize expensive existing network by selling a range of products. It is anticipated that rather than formal ownership arrangements, a loose network of alliance between insurers and banks will emerge, popularly known as bank assurance.

- Endowment policies: This type of policy covers risk for a specified period, and at the end of the maturity sum assured is paid back to policyholder with the bonuses during the term of the policy.
- Money back policies: his type of policy is for periodic payments of partial survival benefits during the term of the policy as long as the policy holder is alive.
- Whole life insurance policies. This type of policy runs as long as the policyholder is alive and is covered for the entire life of the policy holder. In this policy the insured amount and the bonus is payable only to nominee on the death of policyholder.
- Joint life insurance policies: These policies Are similar to endowment policies in maturity benefits and risk cover, but joint life policies cover two lives simultaneously such as married couples. Sum assured is payable on the first death and again on the death of survival during the term of the policy.
- Pension plan: a pension plan or annuity is an investment over a certain number of years but does not provide any life insurance cover. It offers a guaranteed income either for al if or certain period.

- Unit linked insurance plan: ULIP is a kind of insurance plan which provides life cover as well as return on premium paid over a certain period of time. The investment is denoted as units and presented by the value called as net asset value(NAV)

IRDA (Insurance Regulatory and Development Authority)

The Insurance Act, 1938 had provided for setting up of the Controller of Insurance to act as a strong and powerful supervisory and regulatory authority for insurance. Post nationalization, the role of Controller of Insurance diminished considerably insignificance since the Government owned the insurance companies. But the scenario changed with the private and foreign companies foraying in to the insurance sector. This necessitated the need for a strong, independentandautonomousInsuranceRegulatoryAuthoritywasfelt.Astheenacting of legislation would have taken time, the then Government constituted through a Government resolution an Interim Insurance Regulatory Authority pending the enactment of ac comprehensive legislation.

The act extends to the whole of India and will come into force on such date as the Central Government may, by notification in the Official Gazette specify. Different dates may be appointed for different provisions of this Act. The Act has defined certain terms, some of the most important one sari as follows:

- Appointed day means the date on which the Authority is established under the act .Authority means the established under this Act.

Interim Insurance Regulatory Authority means the Insurance Regulatory Authority set up by the Central Government through Resolution No. 17(2)/94-INS-V dated the 23rdJanuary, 1996.

Words and expressions used and not defined in this Act but defined in the

Insurance Act, 1938 or the Life Insurance Corporation Act, 1956 or the General Insurance

Business (Nationalization) Act, 1972 shall have the meanings respectively assigned to the min those Acts.

A new definition of" Indian Insurance Company has been inserted.”Indian insurance company" means any insurer being a company

(a) Which is formed and registered under the Companies Act,1956

(b) In which the aggregate holdings of equity shares by a foreign company, either by or through its subsidiary companies or its nominees, do not exceed twenty-six percent, paid up capital in such median insurance company.

(c) Whose sole purpose is to carry on life insurance business, general insurance business or reinsurance business?

The Authority is ate member team consisting of

(a) A Chairman;

(b) five whole-time members;

(c) four part-time members,

(All appointed by the Government of India)

COMPANY PROFILE

PROFILEOFHDFCSTANDARDLIFE

HDFC Standard Life Insurance Company Ltd. is one of India 'leading private insurance companies, which offers a range of individual and group insurance solutions. It is a joint venture between Housing Development Finance Corporation Limited (HDFC Ltd.), India'sleadingbassingfinanceinstitutionandaGroupCompanyoftheStandardLife, UK.

HDFC Standard Life is one of the leading life insurance companies having a track record of declaring bonuses every year since inception. HDFC as on March31, 2007 holds 81.9 percent of equity in the joint venture.

STRENGTH SO FHDFCSTANDARD LIFE INSURANCE FINANCIAL EXPERTISE

- FINANCIALEXPERTISE

  HDFC Standard Life Insurance has the financial expertise required to manage long-term investments safely and efficiently.

- RANGE OF SOLUTIONS

HDFC Standard Life Insurance has a range of individual and group solutions, which can be easily customized to specific needs. HDFC Standard Life Insurance's group solutions have been designed to offer a complete flexibility combined with a low charging structure to people.

TRACK RECORD

HDFC Standard Life Insurance' cumulative premium income including that midyear premiums and renewal premium is R1532.21 CroresAprMar2005–06.

It has covered over 1:6 million individual out of which over 100 lives have been covered through our group business

VISION

The most merciful and admired life in company, which the most trusted company, the easiest to deal with, offer the best value the standards in the in diary. The most obvious choice for all!

VALUES

- Values that HDFC Standard Life Insurance observe sari
- Integrity
- Innovation
- Customer centric
- People Care" One for all and all the one
- Team work
- Joy and Simplicity

MAJOR COMPETITORS OFHDFCSTANDARD LIFE

- Life Insurance Corporation of India
- ICICI Prudential Life Insurances
- Bajaj Allianz Life
- SBI Life Insurance

PRODUCT PROFILE OF HDFC STANDARDLIFE

HDFC Standard Life Insurance offers various insurance solutions to meet every ones need. HDFC Standard Life Insurance offers various insurance solutions to individuals as well as to companies looking to provide benefit sot their employees.

The products that are off reedy remain classified as follows,

- Individual Products
- Group Products.

INDIVIDUAL PRODUCTS

1. Production

plan(a)Term assurance

plan

A pure risk cover plan, which gives you protection against the uncertainties of life. The Term Assurance Plan is an insurance policy that is designed to help secure your family's financial needs.

(b)Loan converter plan

An ideal way to cover your home loan or other loan liabilities. This Plan provides a lump so month unfortunate death of the life assured within the policy term

2. Investment plan

(a) Single premium whole of life plan

Our Single Premium Whole of Life plan is well suited meet your long term investment needs. We provide you with attractive long term returns through regular bonuses.

3. Pension plans (a)

Personal pension plan

It provides a post retirement income in your golden years and gives you the flexibility to plan your retirement date and Gives you tax benefits on your premiums. The plan receives simple Reversionary Bonuses, which are usually added annually At the end of the term an additional Terminal Bonus may be paid depending on the performance of the under lying investment

(b) Unit linked pension

It's an outstanding investment opportunity by providing a choice of thoroughly re searched and selected investments and post retirement income for life and also Flexibility to plan your retirement date.

(c) Unit linked pension plus

It's an outstanding investment opportunity by providing a choice of thoroughly research eland selected investments. Regular Loyalty Units to boost your fund value every year andpostretirementincomeforlifeandalsoFlexibilitytoplanyourretirementdate.

4. Savings plan

(a) End owmentassurance plan

It's an ideal way to secure your long-term financial goals. Valuable protection to your family by way of lump sum payment in case of your unfortunate demise within policy term and Lump sum payment on survival up to maturity date

(b) Unit linked Endowment

It's an outstanding investment opportunity by providing a choice of thoroughly researched and selected investments. Unit linked Endowment plans

It's an outstanding investment opportunity by providing a choice of thoroughly researched and selected investments.

(c) Children's plan

The Children's Plan is designed to secure your child's future by giving your child a ranted lump sum, on maturity or in case of your unfortunate demise, early in the policy term. The premiums, paid by you, are invested by the company to give young old long-term returns

(d) Unit linked young star

It's an outstanding investment opportunity by providing a choice of thoroughly researched and selected investments Valuable protection to your child in case you are not aroundFlexiblebenefitcombinationsandpaymentoptionsandalsoflexibleadditionalbenefitoptions such ascriticalillness.

(e) Unit linked young star plus

It's an outstanding investment opportunity by providing a choice of thoroughly researched and selected investments. Regular Loyalty Units to boost our fund value every year and

Valuable protection to your child in case you are not around and Flexible benefit combination sand payment option sandal so flexible additional benefit options such as critica lillness cover.

GROUP PRODUCTS

(1) GROUP TERM INSURANCE PLAN

The Group Term Insurance (GTI) plan meets this need and serves as an ideal way for companies to reinforce their bond with their employees. The sort of needs, you, as an employer need to cater to could be in form of

- Employee benefits
- Cover for housing or vehicle oafs given by you to your employees
- A GTIcoverforfutureservicegratuityliabilitytobetakenalongwiththeGroupUnitLinkedPlan
- One year renewable term insurance plan.
- One master policy issued covering all members of the group.

(2) GROUP VARIABLE TERM INSURANCE

The Group Variable Term Insurance is at sailor made insurance policy for third party institutions. HDFC Standard Life Insurance Company will offer life insurance to customer's of one or more of the third party's specific products in order that in the event of their death, there will be a lump sum available.

CHAPTER-IV

DATAANALYSISANDINTERPRETATION

The primary data collected through the question naira from government officials were compiled using spas package and the analysis are presented below

TABLE

4.1RESPONDENTSPROFILEOFA

GE

Age(In years)	Frequency/percentage
25 –35	4
35 –45	25
45 -55	66
>55	5
Total	100

(Source: Primary Data)

Table4.1shows, among the 100 sample respondents, the majority of 66% of the respondents fall in the age group of 45-55 years. Another 25% fall in the category of 35-45years. There are 5% of the respondents who fall in the age group of above 55 years, while the remaining 4% are in the age group of 25-35 years. Thus, from the analysis it can be concluded that the majority (66%) of respondents fall in the age group of 45-55.

TABLE4.2

GENDER PROFILE OF RESPONDENT

Gender	Frequency/Percentage
Male	73
Female	27
Total	100

(Primary Data)

Table 4.2 shows, the 100 sample respondents, the majority of 73% of the respondent sari Male, while the remaining 27% are female. Thus, from the analysis it can be concluded that the male respondents constituted the major position (73%)

TABLE4.3

MARITALSTATUS OFRESPONDENTS

Marital status	Frequency/percentage
Married	99
Unmarried	1
Total	100

Shows, among the 100 sample respondents, the majority (99%) of their pendants aremarriedwhiletheremaining1%isunmarriedamongtherespondents.Thus, from the analysis it can be concluded that the majority (99%) of respondents who are married.

TABLE4.4

EXPERIENCEPROFILEOFRESPONDENTS

Experience of respondent	Frequency/Percentage
0-10	11
10-20	27
20-30	57
>30	5
Total	100

(Source: Primary Data)

As it could be seen in Table 4.4, among the 100 sample respondents, the highest of 57% of the respondents fall intheexperiencegroupof20-30years. Another

27% fall in the category of 10-20 years. There are 11% of the respondents who fall in the experience group of less than 10 years, while the remaining 5% are in the experience groupofabove30years.Thus, majority (57%) of respondent's areintheexperiencegroupof20-30.

TABLE4.5

ANNUALINCOMELEVELOFRESPONDENTS

Annual income	Frequency/percentage
Lessthan180000	27
180000–300000	50
300000–420000	40
400000andabove	9
Total	100

(Source: Primary Data)

Table 4.5 shows, out of 100 sample respondents, the majority 50% of the respondents corn annual income between 180000-300000.Another 27% of respondents are less than 180000.There are 14% of the respondents who earn between 300000-420000, the remaining 9%among the respondents earn above 420000. Thus, from the analysis it can be concluded thattherespondentswhoearnbetween180000-300000 constituted them a jar position (50%).

TABLE4.6

AWARENESS ABOUT LIFE INSURANCE POLICIES

Awareness	Frequency/percentage
Yes	100
No	0
Total	100

(Source: Primary Data)As it could be seen in table 4.6 among the 100 sample respondent all of them were aware of the life insurance policies, (i.e.) 100%. Thus from the analysisit canbeconcludedthat100%of respondents are aware of the life insurance policies.

TABLE4.7SOURCE OF INFORMATION

Source	Yes	no
Agent	85	15
Employer	15	85
Press	24	76
Relatives	10	90
T.V	37	63
Internet	10	90
Bankers	21	79
Brokers	4	96
Friends	23	77
Mobiles	3	97

(Source: Primary Data)

As it could be seen in table 4.7, among the100 sample respondent, it is clear that most of the respondents came to know about the insurance through agents (85%) and the second highest source are the T.V (37%). None of the respondents have come to know about the insurance through mobile. Thus, from the analysis it can be concluded that 85% of the respondents came to know about insurance policies through agents.

FIGURE4.1
CHART SHOWING SOURCE OF INFORMATION

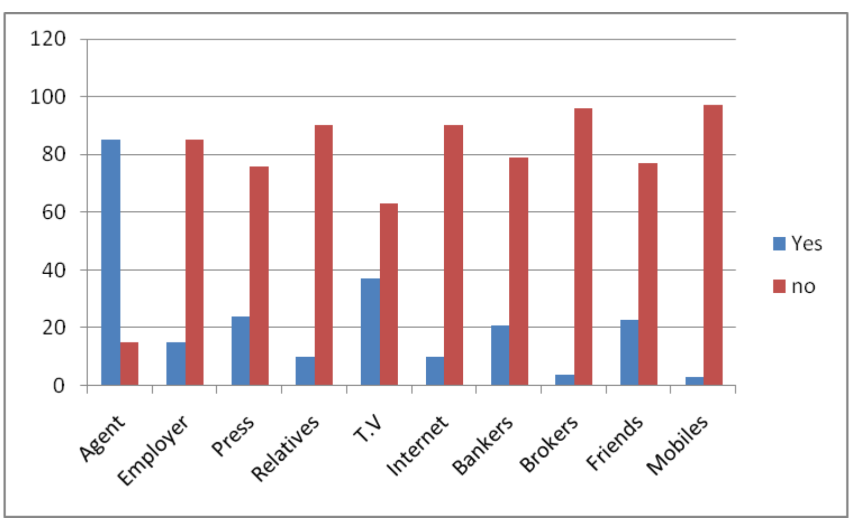


TABLE4.8

AWARE NESS ABOUT THE INSURANCE COMPANY

Company Name	Yes	NO
LIC	100	0
Birla	26	74
HDFC	75	25
Bajaj	27	73
ICICI	55	45
SBI	55	45
SRIRAM	18	82
Kotuku	6	94
Aviva	3	97
Reliance	12	88
Tata AIG	19	81
Met life	0	100
Max New York	5	95
Sahara	3	97
Barathi	0	100
INGVYSYA	16	84

(Source: Primary Data)

As it could be seen in table 4.8 among the 100 sample respondent, it is clear that 100%ofthe respondents are aware of LIC. And among the private players HDFC has ranked first (75%) and followed by ICICI (55%), BAJAJ (27%) , BIRLA (26%). None of the respondent has come to know about Met life and Max Bharathi AXA life insurance. Thus most of the respondent area wares of LIC and in the private sector HDFC Standard Life insurance.

FIGURE4.2

AWARENESS OF INSURANCE COMPANY

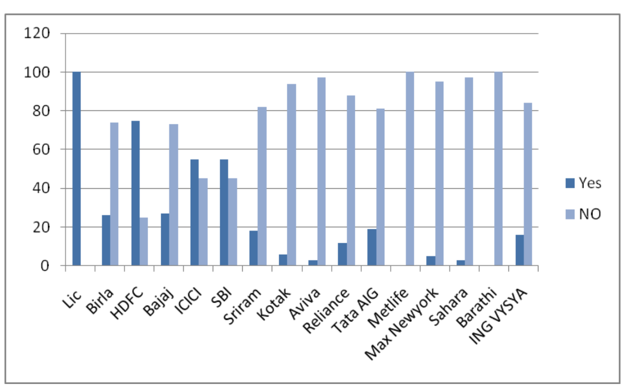


TABLE4.9

PURPOSE OF TAKING POLICIES

Purpose	Yes	No
Tax saving	57	43
Investment	38	62
Life risk	46	54
Regular returns	22	78
Health maintains	19	81
Retire men benefits	6	94
others	1	99

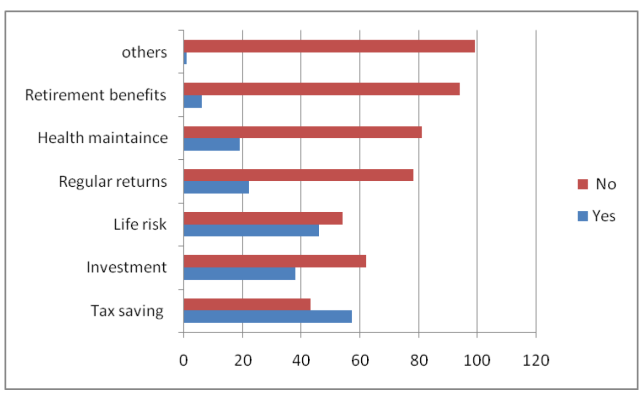
(Source: Primary Data)

As it could be seen in table 4.9 among the 100 sample respondents, 57% have opted Taxsavingasthemajorpurposeoftakinglifeinsurancepoliciesand Liferiskcoverage,Investmentare alsothepurposeoftakinglifeinsurancepolicies.Thusfromtheanalysisitcanbeconcludedthatmost oftherespondentsarepreferredtotakepoliciesforthepurposeofTax Savings.

FIGURE

4.3PURPOSEOFTAKINGPOLICI

ES



TABLE

4.10AWARENESSOFTHEPOLIC

IES

Policies Name	Yes	no
Endowment	83	17
Whole	41	59
Money back	84	16
With profit	24	76
Joint life	30	70
Children	41	59
Convertible	2	98
Without profit	2	98
Variable insurance	0	100
Annuity policy	7	93
Handy capped policy	2	98
Retirement policy	24	76
Salary saving scheme	36	66
ULIP	18	82

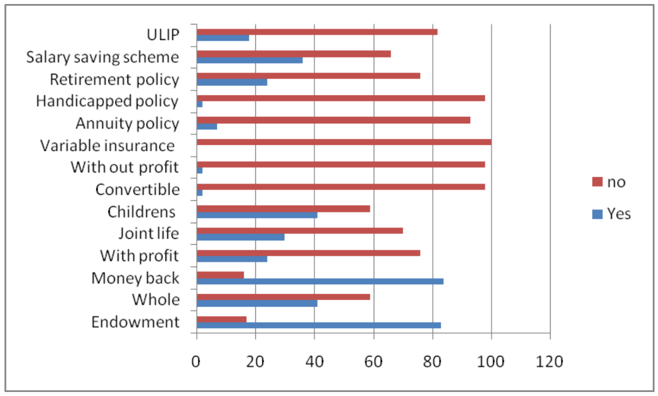
(Source: Primary Data)

Table 4.10, shows among the 100 sample respondents, 84% of the respondent are preferred money back policy and 83% of respondent are preferred endowment policies. None of the respondents are preferred to Variable insurance, without profit policy and handicapped policy. Thus from the analysis it can be concluded that most of the respondents are preferred to take money back and endowment policies.

FIGURE

4.4AWARENESS OF THE

POLICIES


ULIP
Salary saving scheme
Retirement policy
Handicapped policy
Annuity policy
Variable insurance
With out profit
Convertible
Childrens
Joint life
With profit
Money back
Whole
Endowment
0
20
40
60
80
100
120
no
Yes

TABLE

4.11PREFERRED PREMIUM

PERIOD

Period	Frequency/percentage
Annualy	21
Half yearly	16
Quarterly	15
Monthly	48
Total	100

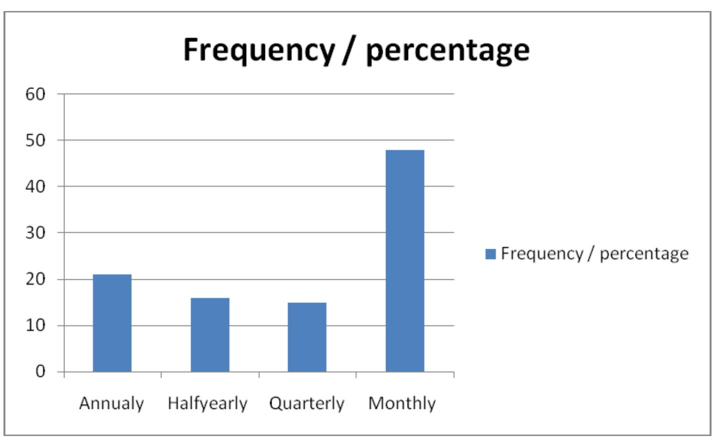
(Source: Primary Data)

Table 4.11 shows, among the 100 sample respondents, 48% of the respondents preferred monthly premium payment period and 21% of the respondents preferred annual premium payment period. Thus from the analysis it can be concluded that 48% of the respondents preferred monthly premium payment period.

FIGURE

4.5PREFERRED PREMIUM

PERIOD



TABLE

4.12PREFERREDPREMIUMPAYM

ENT

Mode	Frequency/percentage
Salary deduction	58
Through agent	11
By cash	7
By cheque	18
Online payment	6
total	100

(Source: Primary Data)

Table4.12shows, 4.7 among the 100 sample respondents, 58% of the respondents preferred Salary Deduction as mode of payment and 18% of the respondents preferred cheque as the mode payment. Thus from the analysis it can be concluded that 58% of the respondents preferred Salary Deduction as mode of payment.

FIGURE

4.6PREFERRED PREMIUM

PAYMENT

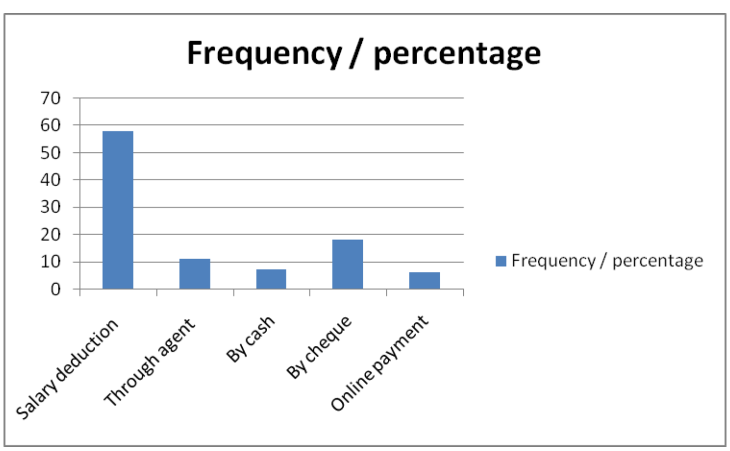


TABLE4.13PREFERREDI

NSURANCECOMPANY

Sector	frequency
Public sector	75
Private sector	25
Total	100

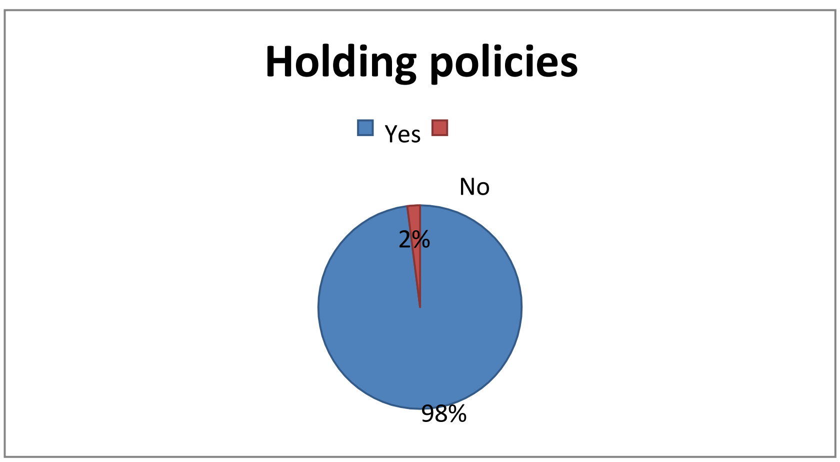
.

(Source: Primary Data)

Table 4.13 shows, among the 100 sample respondent 75% of respondents are preferred public sector and25%of the respondents are preferred private sector. Thus from the analysis it be concluded that 75% of respondents are preferred public sector.

FIGURE4.7PREFERRED

INSURANCE COMPANY



TABLE

4.14PREFERENCEFORFUTUREPOLICY

Particulars	No. of respondents
Yes	**34**
No	**66**
Total	**100**

(Source: Primary Data)

Table 4.14 shows, among the 100 sample respondent 66% of respondents are preferred to take policy in future and 34% of the respondents are not preferred to take policies in future. Has from the analysis it can be concluded that 66% of respondents are preferred to take policy in future.

FIGURE

4.8PREFERENCE FOR FUTURE

POLICY

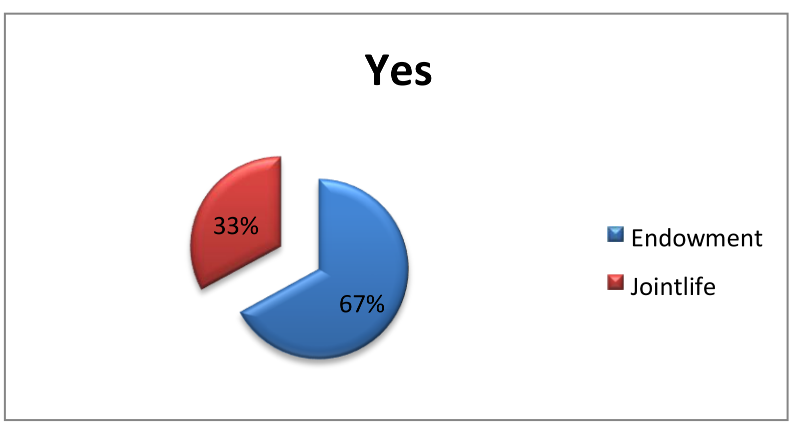


TABLE4.15

INTENDED TYPE OF POLICY IN FUTURE

Type of policy	Respondent
Endowment policy	11
Joint life policy	8
Whole life policy	4
Children’s policy	28
Money back policy	13
ULIP	2
Total	66

(Source: Primary Data)

As it could be seen in chart 4.15 among the 66 sample respondents, 28 respondents are preferred to take Children's policy and 13 respondents are preferred to take Money Back policy. Thus from the analysis it can be concluded that 28 respondents preferred to take Children's policy.

TABLE4.16

PREFERRED INSURANCE COMPANY IN FUTURE

Company	Respondent
LIC	55
HDFC	9
BAJAJ	1
ICICI	1
Total	66

(Source: Primary Data)

Table 4.16 shows, among the 66 sample respondents, 55 respondents are preferred to take LIC as there company and 9 respondents are preferred to take HDFC as there company. Thus from the analysis it can be concluded that 55 of the respondents preferred to take LIC as the re company and among the private company HDFC as their company.

TABLE4.17

HOLDING OF INSURANCE POLICY

Particulars	Holding policies
Yes	98
No	2
Total	100

(Source: Primary Data)

As it could be seen in Table 4.17 among the 100 sample respondent 98% of respondents are currently having policies and 2% of the respondents are not having policies. Thus from the analysis it can be concluded that 98% of respondents are currently having policies.

FIGURE4.9

HOLDING OF INSURANCE POLICY

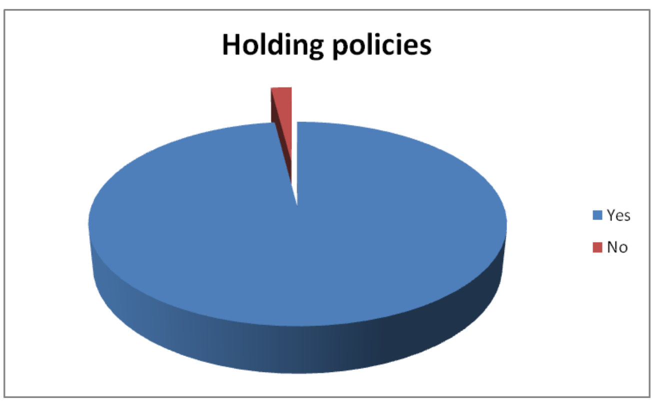


TABLE4.18

CURRENT INSURANCE COMPANY

Current company	Respondent
LIC	64
LICANDHDFC	27
LICANDICICI	4
HDFC	1
OTHERS	2
Total	98

(Source: Primary Data)

Table 4.18 among the 98 sample respondent’s 64 respondents is having policies in LIC and 27of respondents are having policies in both LIC and HDFC and 4 respondents are having in HDFC. Thus from the analysis it can be concluded that 64 of the respondents are having policies in LIC and HDFC is in the second place when compared to others private players.

TABLE

4.19NO.OFPOLICI

ES

No. of policies	Respondent
1	6
2	45
3	36
4	11
Total	98

(Source: Primary Data)

Table4.19shows, among the 98 sample respondents, 45 respondents are having two policies and 36 of respondents are having three policies. Thus from the analysis it can be concluded that 45 of the respondents having two policies.

TABLE4.20

(Source: Primary Data)

Policies	Yes	No
Endowment	57	41
Joint life	28	70
Whole life	14	84
Children	50	48
Money back	54	44
ULIP	24	74

Table 4.20 shows, among the 98 sample respondents, 57 respondents are having Endowment policies and 54 respondents are having Money Back policies and 50 respondents are having Children's policy. Thus from the analysis it can be concluded that 57 respondents having Endowment policy.

FIGURE

4.10CURRENT TYPE OF

POLICY

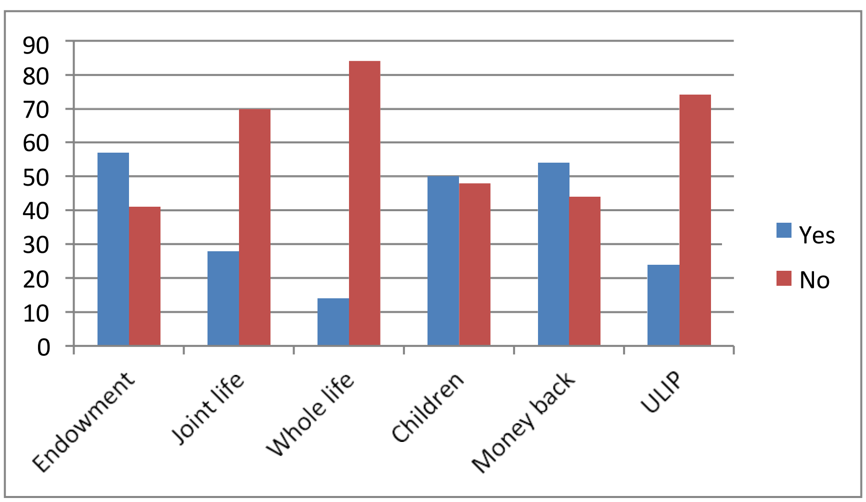


TABLE4.21

CURRENT PREMIUM PAYMENT PERIOD

Period	Respondent
Annual	13
Half yearly	13
Quarterly	20
Monthly	51
Onetime	1
Total	98

(Source: Primary Data)

Table 4.21 shows, among the 98 sample respondents, 51 respondents are paying monthly premium payment and 30 respondents are paying quarterly premium payment. Thus from the analysis it can be concluded that 51 respondents are paying monthly premium payment.

TABLE4.22

CURRENT PREMIUM AMOUNT PAID ANNUALLY

Amount	Respondent
<3000	23
3000–5000	34
5000–7000	22
>9000	19
Total	98

(Source: Primary Data)

Table 4.22 shows, among the 98 sample respondents, 34 respondent's annual premium payment is in between Rs 3000-5000 and 23 respondent's annual premium payment is below Rs 3000. Thus from the analysis it can be concluded that 34 respondent's annual premium payment is in between Rs 3000-5000.

TABLE4.23

SATISFACTION LEVEL FOR PRESENT AGENT

Agent service	H.S	S	C.S	D	H.D	Total
Knowledge	42	50	4	1	1	98
Investment advice	8	83	5	1	1	98
Convincing approach	4	82	10	2	0	98
Payment of premium	9	83	5	1	0	98
Claim settlement	6	37	55	0	0	98
Change of nominee	6	68	21	2	1	98
Handling over the document	4	34	60	0	0	98

Table 4.23 shows, among the 98 sample respondents, the respondents are satisfied with agent services like Knowledge about the policies, Investment Advices, Convincing Approach Payment of Premium and Change of Nominee but the respondents are not aware of their own Claim settlement and Handling over the Documents, so its comes under can't say category. Thus from the analysis it can be concluded that the respondents are satisfied with the current agent services.

TABLE4.24

SATISFACTION LEVEL SCORES FOR AGENT SERVICE

Satisfaction level	Scores	No .of respondents
Highly dissatisfied	Exactly	0
Dissatisfied	8–14	0
Can't say	15–21	1
Satisfied	22–28	86
Highly satisfied	29-35	11

(Source: Primary Data)Table 4.24 clearly shows that 86 respondents are got scores in between 22-28, thus, the respondents are satisfied with the agent service.

TABLE4.25

SATISFACTION LEVEL SCORES FOR INSURANCE COMPANY

Satisfaction level	Scores	No .of respondent
Highly dissatisfied	Exactly13	0
Dissatisfied	14-26	0
Cant's say	27- 39	0
Satisfied	40–52	87
Highly satisfied	53-65	11

(Source: Primary Data) Table 4.25 clearly shows that 87 respondents are got scores in between 40-52.

CHAPTER-V

FINDINGS

GENERAL FINDINGS

- HDFC Standard Life Insurance Co. Ltd .has increased its share capital by Rs 50Crores.
- The two partners in the joint venture, HDFC Ltd. and Standard Life Assurance Company, U.K. have brought in the additional capital and the share capital of the company now stands at Rs 218Crores.
- HDFC Standard Life Insurance's cumulative premium income, including the first year premiums and renewal premiumsisRs.1532.21Crores Apr-Mar 2005-06.
- It has covered over 1.6 million individuals out of which over 5,00,000 lives have be covered through our group business tie-ups.
- It was necessitated on account of the strong growth shown by the company in the current financially earnest life insurance and pension business.

SPECIFIC FINDINGS

- Majority (66%) of respondents fall in the age group of 45-55.
- The male respondents constituted the major position (73%).
- Majority (99%) of respondents who are married.
- Majority (57%) of respondents are in the experience group of 20-30.
- The respondents who earn between 180000-300000 constituted the major position (50%).
- 100% of respondents are aware of the life insurance policies.
- 85% of the respondents came to know about insurance policies through agents.
- Most of the respondents are aware of LIC and in the private sector HDFC Standard Life insurance.
- Most of the respondents are preferred to take policies for the purpose of Tax Savings.
- Most of the respondents are preferred to take money back and endowment policies.
- Most of the respondents are ranked money back policy as first.
- 48 % of the respondents preferred monthly premium payment period.
- 58% of the respondents preferred Salary Deduction as mode of payment.
- 43 % of the respondents preferred to get the documents through agent.
- 75 % of the respondents preferred to get the claim settlement through cheque.
- Most of the respondents ranked premium amount as first detail followed by period of premium and feature of policy.
- 75% of respondents are preferred public sector.
- Most of the respondents are selecting the agent's by knowledge of policy followed by convincing approach and investment advice.

- Most of the respondents are selecting the insurance company first to fulfillment of customer needs followed by availability of product and services and brand name.
- 66%of respondents are preferred to take policy in future.
- 28 respondents preferred to take Children's policy.
- 55 of the respondents preferred to take LIC as there company and among the private
- company HDF Cast heir company.
- 98% of respondents are currently having policies.
- 64 of the respondents are having policies in LIC and HDFC is in the second place when compared to others private players.
- 45 of the respondents having two policies.
- 57 respondents having Endowment policy.
- 59 respondents are having policies for the purpose of tax savings.
- 51 respondents are paying monthly premium payment.
- 34 respondent's annual premium payment is in between Rs 3000-5000,

SUGGESTIONS

- In view of the competition from LIC and other private players in the market, HDFC Standard Life should organize more awareness campaigns to create awareness and to promote their existing products.

- More new products and services should be innovated through financial engineering process to tap rural and social sectors.

- To retain old customers and to attract new customer's products with adds-on features should be introduced besides attractive advertisements.

- To reach out more customers, tie-ups with companies, in various sectors can be arranged to cover the insurance needs of their employees,
- As the awareness level among the government officials for some insurance policies like ULIP, Money back plan, Endowment plan, Children's plan, Protection plan, etc. are very low, periodical awareness programs in the respective government officials with concurrence of higher officials should be conducted. To enhance the satisfaction level of policyholders and to avoid losing the existing customers periodical market surveys should be conducted.

- To utilize one of the most important marketing channel (commercial banks) very effectively for promoting the products, steps should be taken to make the banks incorporate successful sales tactics used by them to sell to her financial services.

CONCLUSION

Insurance sector is one of the most booming sectors in India. The penetration level of insurance in India is only 2.3% when compared to 9-15% in the developed nations. There is a huge market for the Insurance products in the future in India.

The project was very useful to the researcher to under stand the life insurance business.

BIBLIOGRAPHY

BOOKS:

- **Kothari C.R. (1990) Research Methodology :Method and Techniques, Wish Parkas an PP115-117**
- **Bodie.Z,Kane.A& Marcus.J:EssentialsofInvestmentsPP242-**

243WEBSITES :

- **http://www.economywatch.com/indianeconomy/indian-insurance-sector.htmlwww.birlasunlife.com/birlasunlife/insurance/bsli../index5.aspx**
- **http://www.indianinsurance.com/OccasionalPapers/OP85/op85.html**
- **http://www.banknetindia.com/finance/insure2011.htm**
- **http://www.financialexpress.com/news/the-indian-insurance-sector-ii/181428/**